CITY OF SAN JOSÉ, CALIFORNIA Department of Planning, Building and Code Enforcement 801 North First Street, Room 400 San José, California 95110-1795		Hearing Date/Agenda Number PC 3/13/02 Item No. 4.a.	
		File Number PDC 01-05-061	
STAFF REPORT		Application Type Planned Development Rezoning	
		Council District	
		Planning Area West San Jose	
		Assessor's Parcel Number(s) 305-02-057,058	
PROJECT DESCRIPTION		Completed by: Mike Enderby	
Location: Southwest corner of Winc	hester Boulevard and Loma Verde	Drive	
Gross Acreage: 1.14	Net Acreage: 1.14	Net Density: 50 DU/AC	
Existing Zoning: CP-Commercial Pedestrian	Existing Use: Vacant retail and office structures		
Proposed Zoning: A(PD)	Proposed Use: 7,674 square feet of retail uses and up to 57 single-family attached residential units		
GENERAL PLAN		Completed by: ME	
Land Use/Transportation Diagram Designation General Commercial		Project Conformance: [X] Yes [] No [X] See Analysis and Recommendations	
SURROUNDING LAND USES AND ZONING		Completed by: ME	
North: Commercial, multi-family attached residential		R-1-8(PD) Planned Development	
East: Commercial		CP- Commercial Pedestrian	
South: Commercial		CP- Commercial Pedestrian	
West: Multi-family attached residential		R-M Residence	
ENVIRONMENTAL STATUS		Completed by: ME	
[ ] Environmental Impact Report found complete [X] Negative Declaration circulated on February 7, 2002 [ ] Negative Declaration adopted		[] Exempt [] Environmental Review Incomplete	
FILE HISTORY		Completed by: ME	
Annexation Title: Maywood #3		Date: January 27, 1956	
PLANNING DEPARTMENT RECOMMENDATION	IONS AND ACTION		
<ul><li>[ x] Approval</li><li>[ ] Approval with Conditions</li><li>[ ] Denial</li><li>[ ] Uphold Director's Decision</li></ul>	Date:	Approved by:	
APPLICANT/ DEVELOPER	ARCHITECT/CONTACT		
Russell Mahzoon 282 W. Sunny Oaks Avenue San Jose, Ca 95008	Thomas Boyd 20085 Stevens Creek Blvd., Suite 120 Cupertino, CA 95014		

PUBLIC AGENCY COMMENTS RECEIVED	Completed by: Mike Enderby	
Department of Public Works See attached memorandum.		
Other Departments and Agencies		
See attached memoranda.		
GENERAL CORRESPONDENCE		
N/A		

#### BACKGROUND

The applicant, Russell Mahzoon, is proposing a Planned Development Rezoning to allow a mixed-use project consisting of 7,674 square feet of commercial/retail uses and up to 57 single-family attached units on 1.14 net acres. The parcel is currently developed with two vacant commercial buildings that were built in the 1960's.

The rectangular-shaped site is bounded by Winchester Boulevard and commercial uses to the east, Loma Verde Drive and commercial/residential apartments to the north, commercial uses to the south, and apartments to the west. The surrounding area is characterized by a mix of multi-family residential and strip commercial uses.

As part of the City's Strong Neighborhood Initiative, the City Council adopted the Winchester Neighborhood Improvement Plan in October 2001. As part of an intensive program, the City worked with various neighborhood groups to identify a cohesive vision for this area and a strategic action plan to implement the vision. The plan noted several "priority action items" including the revitalization and intensification of land use along Winchester Boulevard to create a more transit oriented development (TOD) corridor. More specifically, mixed use (commercial & residential) with ground floor commercial space and underground parking, consistent with intensities that are appropriate to facilitate transit oriented development, should be encouraged. The subject project represents the first such mixed-use project within the study area.

# **Project Description**

The proposed project consists of a mixed-use commercial/retail building that parallels the Winchester frontage. The ground floor will consist of 7,674 square feet of retail uses. Located above are nine (9) townhouse-style units. On the rear half of the site, a podium-type four-story residential building containing 48 dwelling units is proposed. All units are intended to be sold as condominium units, but may be initially be rented as apartment units. A below grade parking garage accessed from Loma Verde Drive will provide parking for all of the residential units and for employees of the commercial uses. The parking garage will span across most of the site and be located below each of the aforementioned structures. A small, 22-space surface parking lot will be located between the mixed-use building and the 4-story apartment structure. This parking lot will have direct access to both Winchester Boulevard and Loma Verde Drive.

The proposed residential development will be comprised primarily of two-bedroom units, however, the project will include 16 one-bedroom units and 1 three-bedroom unit. The units will range in size from 544 to 1,340 square feet.

Each of the units will include at least one private balcony, ranging in size from 67 to 210 square feet. Over half of the units will have a second balcony or patio. A large 4,000 square foot landscaped courtyard is provided in the middle of the four-story component above the parking garage. This area opens out onto a 3,000 square foot landscaped area adjacent to the building near the west property line.

### GENERAL PLAN CONFORMANCE

The proposed mixed commercial/residential project, with a residential density of 50 DU/AC, conforms to the site's General Plan Land Use/Transportation Diagram designation of General Commercial under the use of the Discretionary Alternate Use Policy (Two Acre Rule) which allows parcels with non-residential land use designations to be developments under any residential or non-residential category provided that such developments are compatible with existing and planned uses on adjacent and neighboring properties.

## **ENVIRONMENTAL REVIEW**

An Initial Study was prepared for this project and a Negative Declaration was circulated for public review by the Director of Planning on February 7, 2002. The key issues that were addressed in the environmental review for the project are traffic and noise. The project includes standard mitigation measures that will reduce potentially significant impacts to a less-than-significant level.

## **Traffic**

An in-house traffic analysis was conducted by the Department of Public Works. It was determined that the project conforms to the City's level of service (LOS) policy and is therefore not required to provide any mitigation. However, minor, median island improvements are proposed in front of the project site.

### <u>Noise</u>

A noise report prepared by Environtech Consultants, dated October 3, 2001, found portions of the project site to be exposed to substantial noise impacts from vehicular traffic. Recommended measures to attenuate noise impacts were included in the report and will be incorporated into the construction of the project to ensure a living environment in accordance with established General Plan noise standards. This mitigation reduces the potential noise impacts to a less-than-significant level.

#### **ANALYSIS**

This report summarizes the following key issues that were analyzed as part of this project; 1) site interface with surrounding uses, 2) internal relationship between uses within the mixed use building, 3) conformance to the Residential Design Guidelines, 4) conformance to the Commercial Design Guidelines, and 5) architecture.

# Site Interface with Surrounding Uses

Winchester Frontage. The proposed project has been designed to address the unique interface issues on each of the four perimeters of the site. In accordance with the adopted Winchester Neighborhood Improvement Plan, approved in 2001 as part of the City's Strong Neighborhood Initiative (SNI) Program, a mixed-use structure is proposed adjacent to the Winchester Boulevard frontage. The design will establish a more "urban" rather than suburban development pattern for this street and will further the SNI objective to create an environment that is more "transit-oriented". A minimal setback is proposed for this two and three-story building façade which will include ground floor commercial uses and nine (9) residential townhouse units above.

Retail customers can access these businesses from the front sidewalk as well as the rear surface parking lot. Entrances for the residential units on the upper floors are also accessible from the street or parking area. The residential unit layout orients the private open space areas toward the interior of the project, enabling a more significant building presence next to the street. Orienting the private patio areas towards the project interior also helps to create a more pleasant private open space environment by allowing the building itself to buffer the Winchester Boulevard traffic noise. The building façade includes a combination of two- and three-story elements so that it is not too over-bearing on the streetscape. It is anticipated that through the future private redevelopment of properties along this street, the surrounding area will evolve to a much more urban development pattern similar to that which is currently proposed.

Loma Verde Drive Frontage. The project site design transitions to a slightly more suburban design along the Loma Verde frontage. The mixed-use building at the corner provides maintains an urban feel, but the four-story structure proposed behind the mixed-use building provides a 12.5-foot setback. This structure is further articulated to transition to a 25- foot setback near the west side of the site to match that of the existing apartment complex to the west. The common parking garage uniquely transitions from fully-depressed under the retail component to just partially-depressed below grade under the residential units. This design allows ideal grade relationship between the retail uses and the street to facilitate a convenient flow for pedestrians and to maximize pedestrian-level visibility from the sidewalk area along Winchester Boulevard. The transition to a partially-depressed garage level for the area beneath the all-residential structure allows the first floor level residential units of this building to be raised slightly above grade to have good visibility onto the street while affording a reasonable level of privacy from pedestrians on the sidewalk.

Interface with Existing Apartments. The most sensitive project interface occurs along the westerly property line. Along this side, adjacent to an existing two-story apartment complex, the project proposes a 25-foot setback which matches or exceeds that of the adjacent structures. The project has been designed with the driveway for the underground parking garage along the westerly property line. This helps to force the larger setback for the proposed building and provides the project's most significant landscape opportunity. Landscaping with trees will help to soften the interface between uses and provide the added function of serving as a portion of the common open space for the units within the proposed four-story residential structure. A wide break or opening along the westerly building façade will help to avoid a continuous mass of building façade facing the adjoining property and provides good connectivity of common open space areas for the proposed project.

*Interface with Adjacent Commercial Uses.* An adjacent retail building and McDonald's restaurant exist to the south. This project interface does not necessitate a large setback other than that which is necessary to ensure

reasonable livability for residents within the proposed project. A nominal 10-foot setback is proposed next to the taller residential building to provide a landscape buffer. A trellis-covered driveway is placed alongside the mixed-use building to increase the physical separation of the residential units within the proposed structure. Windows and balconies have generally been minimized along this side of the project.

# Relationship between Uses within the Mixed-Use Building

Providing a good relationship between the residential uses and commercial uses within the same building so that each such use can co-exist without impacting the other represented the most significant design challenge for the project. It was desirable to maintain a residential living environment that provided a good level of privacy for its residents that was functionally separated from the commercial uses. The design provides two stairways and an elevator that is internalized away from the retail entrances. The units are well connected to each other by short internal corridors that provide good natural lighting opportunities.

The private open space areas are primarily oriented towards quieter interior areas of the site. This design affords a better level of privacy within the unit. The interior orientation of the open space areas allows the street façade to maintain a more significant building presence by avoiding an upper floor setback merely to accommodate a series of residential patios. Additionally, the placement of balcony objects such as table umbrellas can be avoided which might otherwise create visual clutter and distract from the desired professional retail image of the commercial tenant located on the ground floor below.

The residential parking requirement is not by assigned spaces within the below-grade parking garage. The parking garage will also provide adequate parking for employees of the retail uses. The small surface parking lot will be used primarily for customers of the retail establishments, thus avoiding conflicts with resident parking needs can be avoided.

# Conformance to the Residential Design Guidelines

The proposed development includes two distinct project components; 1) a mixed-use component, and 2) a podium cluster component. Each of these should fully comply with the relevant section of the City's Residential Design Guidelines (RDGs).

One of the key objectives of the design policies for mixed-use projects is to ensure that the quality of the residential environment is not compromised by the operation of the commercial uses. Separated residential unit entrances and placement of internalized open space areas are proposed to help achieve this objective.

Private open space is provided well in excess of the minimum 60 square feet per unit as recommended by the guidelines. Several of the units have more than one patio or balcony. Additionally, the project provides more than the required 100 square feet of common open space per unit that would minimally be required.

Opportunities to provide alternating parking or shared parking arrangements for mixed-use projects are appropriate to take advantage of different peak period parking demands between commercial and residential uses. The City has typically allowed 10-25% of the parking for recent mixed-use projects to be shared or overlap. Generally, this can help reduce the amount of surface parking and increase landscape opportunities to further improve the appearance of the development. Given the severe neighborhood parking shortages resulting from the under-parked apartment complexes to the west, this developer has opted not to explore an

alternating parking arrangement. Both the residential and commercial project components provide independently-adequate parking per the design guidelines and the Zoning Ordinance. Since the majority of the parking is provided below grade, the additional parking spaces provided do not cause any significant negative visual impacts for the project. Due to the structural design of the parking garage and buildings, it is not particularly advantageous to reduce the number of parking spaces in the garage.

# Conformance to the Commercial Design Guidelines

The Commercial Design Guidelines do not specifically address mixed-use projects, however, they do include many basic requirements related to traffic circulation and project details such as trash enclosures and signs. The project complies with the key elements identified in these guidelines as appropriate at the Planned Development Zoning stage of the process. Further fined-tuning of smaller project details will occur at the Planned Development Permit stage to ensure maximum conformance.

## Architecture

The architectural design has improved significantly during the course of the review process since the application was filed with the City. Both structures emphasize vertical building elements in accordance with the City's design guidelines. The design of the mixed-use building is well articulated and detailed to create a strong, attractive and functional retail element that maintains a good balance of common design elements and proportionality with the residential component.

The four-story residential building element also provides a good level of articulation to soften the building mass. Further refinement of the details of this building will occur at the Planned Development Permit stage to better highlight the location of the pedestrian building entrance from the street.

### PUBLIC OUTREACH

Notices of the Negative Declaration and the public hearings before the Planning Commission and City Council were distributed to owners and tenants of all properties within 1,000 feet of the subject site. A notice of the rezoning was also published in the San Jose Mercury News, in accordance with the City Council's Public Outreach Policy. Staff has been available to discuss the project with interested members of the public.

A neighborhood meeting was held on February 25, 2002 near the subject site. Invitations for the neighborhood meeting were sent to owners and tenants of all properties within 1,000 feet of the project. Approximately 25 members of the public attended the meeting. Additionally, the developer, project architect, City Staff and Linda LeZotte, the District 1 City Councilmember attended. None of the area residents expressed opposition to the project; however, several had concerns related to traffic and the adequacy of parking. Related to parking, several residents expressed concern that the existing apartment complexes in the area have insufficient parking. This causes a significant demand on existing curbside parking including areas next to the project site. Several residents welcomed redevelopment of the site, citing concerns about the blighted structures that presently exist on the property.

#### **CONCLUSION**

This project represents an excellent start to the redevelopment of this street in accordance with the objectives of the Winchester Neighborhood Improvement Plan adopted as part of the Strong Neighborhoods Initiative (SNI). The project design is well thought out, and constitutes a substantial improvement in the quality of development along this corridor. This project will establish a good benchmark for quality for subsequent development projects in this area.

### RECOMMENDATION

Planning Staff recommends approval of the proposed Planned Development Rezoning for the following reasons:

- 1. The project conforms to the site's General Plan Land Use transportation Diagram designation of General Commercial with the use of the Discretionary Alternate Use Policy (Two Acre Rule).
- 2. The project complies with the objectives of the Winchester Neighborhood Improvement Plan (Strong Neighborhood Initiative).
- 3. The proposed project further the objectives of the City's infill housing strategies.
- 4. The proposed project is compatible with the surrounding land uses.
- 5. The proposed project substantially conforms to all applicable policies of the City's Residential Design Guidelines and Commercial Design Guidelines.
- 6. The proposed project conforms to the requirements of CEQA.

ME:11/207-02